

IC 20-40-6

Chapter 6. School Transportation Fund

IC 20-40-6-1

"Costs attributable to transportation"

Sec. 1. As used in this chapter, "costs attributable to transportation" refers to costs listed in section 6 of this chapter that are attributable to transportation, as authorized by this title, of school children during the school year ending in the calendar year.

As added by P.L.2-2006, SEC.163.

IC 20-40-6-2

"Fund"

Sec. 2. As used in this chapter, "fund" refers to a school transportation fund established under section 4 of this chapter.

As added by P.L.2-2006, SEC.163.

IC 20-40-6-3

"Levy"

Sec. 3. As used in this chapter, "levy" refers to a property tax levy imposed under IC 20-46-4 for the fund.

As added by P.L.2-2006, SEC.163.

IC 20-40-6-4

Establishment of fund

Sec. 4. The governing body of each school corporation shall establish a school transportation fund.

As added by P.L.2-2006, SEC.163.

IC 20-40-6-5

Uses; required use of fund

Sec. 5. (a) Subject to this chapter, the fund is the exclusive fund to be used by a school corporation for the payment of costs attributable to transportation.

(b) After June 30, 2005, and before July 1, 2007, a school corporation may budget for and pay costs attributable to transportation from the general fund.

(c) Contracted transportation service costs transferred to the school bus replacement fund under IC 20-40-7 are payable from the school bus replacement fund.

As added by P.L.2-2006, SEC.163.

IC 20-40-6-6

Uses; costs payable from fund

Sec. 6. (a) The following costs are payable from the fund:

- (1) The salaries paid to bus drivers, transportation supervisors, mechanics and garage employees, clerks, and other transportation related employees.
- (2) Contracted transportation service.
- (3) Wages of independent contractors.

- (4) Contracts with common carriers.
- (5) Student fares.
- (6) Transportation related insurance.
- (7) Other expenses of operating the school corporation's transportation service, including gasoline, lubricants, tires, repairs, contracted repairs, parts, supplies, equipment, and other related expenses.

(b) Percentages or parts of salaries of teaching personnel or principals are not attributable to transportation. However, parts of salaries of instructional aides who are assigned to assist with the school transportation program are attributable to transportation. The costs described in this subsection (other than instructional aide costs) may not be budgeted for payment or paid from the fund.

(c) Costs for a calendar year are those costs attributable to transportation for students during the school year ending in the calendar year.

As added by P.L.2-2006, SEC.163.

IC 20-40-6-7

Source of fund balances; appropriation requirement

Sec. 7. In addition to property tax collections, receipts available for school transportation from any other revenue source shall be received in and disbursed from the fund to pay costs attributable to transportation. An expenditure may be made only if it has been provided for in the school corporation's annual budget or by an additional appropriation under IC 6-1.1-18-5.

As added by P.L.2-2006, SEC.163.

IC 20-40-6-8

Transfers to fund from other funds

Sec. 8. (a) This section applies only to the extent that:

- (1) the school corporation's fund has not been increased under IC 20-46-4-6(2); or
- (2) another adjustment has not been made by the department of local government finance to reflect the termination of state distributions for the school corporation's fund.

(b) During the period beginning July 1, 2005, and ending June 30, 2007, the school corporation may transfer money in a fund maintained by the school corporation (other than the special education preschool fund or the school bus replacement fund) that is obtained from:

- (1) a source other than a state distribution or local property taxation; or
- (2) a state distribution or a property tax levy that is required to be deposited in the fund;

to any other fund. A transfer under subdivision (2) may not be the sole basis for reducing the property tax levy for the fund from which the money is transferred or the fund to which money is transferred. Money transferred under this subsection may be used only to pay costs, including debt service, attributable to reductions in funding for

transportation distributions under IC 21-3-3.1 (before its repeal), including reimbursements associated with transportation costs for special education and vocational programs under IC 21-3-3.1-4 (before its repeal) and ADA flat grants under IC 21-3-4.5 (before its repeal). The property tax levy for a fund from which money was transferred may not be increased to replace money transferred to another fund.

(c) The total amount transferred under this section may not exceed the following:

(1) For the period beginning July 1, 2005, and ending June 30, 2006, the last state transportation distribution (as defined in IC 20-46-4-3).

(2) For the period beginning July 1, 2006, and ending June 30, 2007, an amount equal to the subdivision (1) amount.

As added by P.L.2-2006, SEC.163.